AMENDED IN ASSEMBLY JUNE 30, 2010
AMENDED IN ASSEMBLY JUNE 15, 2010
AMENDED IN ASSEMBLY JUNE 24, 2009
AMENDED IN SENATE MAY 28, 2009
AMENDED IN SENATE APRIL 29, 2009
AMENDED IN SENATE APRIL 14, 2009

### SENATE BILL

No. 516

# **Introduced by Senator DeSaulnier**

(Coauthor: Assembly Member Torlakson)

February 26, 2009

An act to add—and repeal Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, and to add Chapter 4 (commencing with Section 2200) to Division 2.5 of the Welfare and Institutions Code, relating to the California Youth Legislature.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 516, as amended, DeSaulnier. California Youth Legislature. Existing law establishes the California Senior Legislature to provide model legislation for older citizens and advocate for the needs of seniors. This law establishes in the State Treasury the California Fund for Senior Citizens to receive contributions from tax return designations to support the sessions of the California Senior Legislature. Existing law authorizes individual taxpayers to contribute amounts in excess of their tax liability for the support of specified funds or accounts.

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This bill would establish the California Youth Legislature, composed of students ages 14 to 18 years, inclusive, and, subject to specified considerations, to provide model legislation and advocate for the needs of youth. The California Youth Legislature would be charged with examining and discussing policy and fiscal issues affecting the interests, needs, and conditions of the youth of California and with formally advising and making recommendations to the Legislature and the Governor on specific issues affecting youth. The bill would create the California Youth Legislature Advisory Committee, the members of which would serve without salary, and which would be chaired by the chair of the Joint Committee on Rules and composed of appointed representatives of organizations with expertise on issues facing youths, which, among other duties, would appoint members of the youth legislature. The bill would require the advisory committee to enter into an interagency agreement with the Joint Committee on Rules to carry out necessary administrative functions. The advisory committee also would be charged with determining when there are sufficient funds to support the program and if it determines that there are insufficient funds to cover all costs, the activities of the California Youth Legislature would cease.

The bill would create in the State Treasury the California Fund for Youth to receive contributions from tax return designations to support the sessions of the California Youth Legislature. This bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Fund for Youth on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years provide that funds for the California Youth Legislature would be allocated from the California Youth Leadership Fund to be created by AB 2017 of the 2009–10 Regular Session, upon appropriation by the Legislature. That fund would be supported by taxpayer designations by individuals of specified amounts in excess of their tax liability. The bill also would authorize the California Youth Legislature to accept gifts and grants from any source to help perform its functions.

The bill would provide that it would become operative only if it and AB 2017 are both enacted and become effective on or before January 1, 2011.

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Article 4.5 (commencing with Section 18736) is added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, to read:

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#### Article 4.5. California Fund for Youth

- 18736. (a) Any individual may designate on the tax return that a contribution in excess of the tax liability, if any, be made to the California Fund for Youth, which is established by Section 18737.
- (b) The contributions shall be in full dollar amounts and may be made individually by each signatory on a joint return.
- (c) A designation under subdivision (a) shall be made for any taxable year on the original return for that taxable year, and once made shall be irrevocable. In the event that payments and credits reported on the return, together with any other credits associated with the individual's account, do not exceed the individual's tax liability, the return shall be treated as though no designation has been made.
- (d) If an individual designates a contribution to more than one account or fund listed on the tax return, and the amount available is insufficient to satisfy the total amount designated, the contribution shall be allocated among the designees on a pro rata basis.
- (e) The Franchise Tax Board shall revise the form of the return to include a space labeled "California Fund for Youth" to allow for the designation permitted under subdivision (a). The form shall also include in the instructions information that the contribution may be in the amount of one dollar (\$1) or more and that the contribution shall be used to conduct the sessions of the California Youth Legislature and to support its ongoing activities on behalf of youth.
- (f) Notwithstanding any other provision, a voluntary contribution designation for the California Fund for Youth shall not be added on the tax return until another voluntary contribution designation is removed.

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 (g) A deduction shall be allowed under Article 6 (commencing with Section 17201) of Chapter 3 of Part 10 for any contribution made pursuant to subdivision (a).

18737. There is hereby established in the State Treasury the California Fund for Youth to receive contributions made pursuant to Section 18736. The Franchise Tax Board shall notify the Controller of both the amount of money paid by taxpayers in excess of their tax liability and the amount of refund money that taxpayers have designated pursuant to Section 18736 to be transferred to the California Fund for Youth. The Controller shall transfer from the Personal Income Tax Fund to the California Fund for Youth an amount not in excess of the sum of the amounts designated by individuals pursuant to Section 18736 for payment into that fund.

18738. All moneys transferred to the California Fund for Youth pursuant to Section 18736, upon appropriation by the Legislature, shall be allocated as follows:

- (a) To the Franchise Tax Board and the Controller for reimbursement of all costs incurred by the Franchise Tax Board and the Controller in connection with their duties under this article.
- (b) The balance to the California Youth Legislature, to be allocated for the ongoing activities of the California Youth Legislature.
- (c) All moneys allocated pursuant to subdivision (b) of this section may be carried over from the year in which they were received.
- (d) The funds allocated to the California Youth Legislature for the purpose of funding the activities of the California Youth Legislature shall be spent pursuant to the purview of the Joint Committee on Rules of the California Legislature in a manner consistent with the bylaws of the California Youth Legislature, ereated by the California Youth Legislature Advisory Committee, established through a majority vote of the California Youth Legislature Advisory Committee.
- 18739. (a) This article shall remain in effect only until January 1 of the fifth taxable year following the first appearance of the California Fund for Youth on the tax return, and as of that date is repealed.
- 38 (b) (1) By September 1 of the second calendar year, and by 39 September 1 of each subsequent calendar year that the California

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Fund for Youth appears on a tax return, the Franchise Tax Board shall do all of the following: 3

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- (A) Determine the minimum contribution amount required to be received during the next calendar year for the fund to appear on the tax return for the taxable year that includes that next calendar vear.
- (B) Provide written notification to the California Youth Legislature of the amount determined in subparagraph (A).
- (C) Determine whether the amount of contributions estimated to be received during the calendar year will equal or exceed the minimum contribution amount determined by the Franchise Tax Board for the calendar year pursuant to subparagraph (A). The Franchise Tax Board shall estimate the amount of contributions to be received by using the actual amounts received and an estimate of the contributions that will be received by the end of that calendar vear.
- (2) If the Franchise Tax Board determines that the amount of contributions estimated to be received during a calendar year will not at least equal the minimum contribution amount for the calendar year, this article is repealed with respect to taxable years beginning on or after January 1 of that calendar year.
- (3) For purposes of this section, the minimum contribution amount for a calendar year means two hundred fifty thousand dollars (\$250,000) for the second calendar year after the first appearance of the California Fund for Youth on the personal income tax return or the adjusted minimum contribution amount adjusted pursuant to subdivision (c).
- (c) For each calendar year, beginning with the third calendar vear that the California Fund for Youth appears on the tax return, the Franchise Tax Board shall adjust, on or before September 1 of that calendar year, the minimum estimated contribution amount specified in subdivision (b) as follows:
- (1) The minimum estimated contribution amount for the calendar year shall be an amount equal to the product of the minimum contribution amount for the prior September 1 multiplied by the inflation factor adjustment as specified in paragraph (2) of subdivision (h) of Section 17041, rounded off to the nearest dollar.
- (2) The inflation factor adjustment used for the calendar year shall be based on the figures for the percentage change in the California Consumer Price Index received on or before August 1

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of the calendar year pursuant to paragraph (1) of subdivision (h) of Section 17041.

(d) Notwithstanding the repeal of this article, any contribution amounts designated pursuant to this article prior to its repeal shall continue to be transferred and disbursed in accordance with this article as in effect immediately prior to that repeal. SEC. 2.

SECTION 1. Chapter 4 (commencing with Section 2200) is added to Division 2.5 of the Welfare and Institutions Code, to read:

Chapter 4. California Youth Legislature

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- 2200. (a) The Legislature finds and declares that the needs of California's youth can best be assessed by California's youth.
- (b) The Legislature recognizes that there are over 9,000,000 youths under the age of 19 years in California, and an additional 3,000,000 more young adults between the ages of 18 years and 24 years.
- (c) The Legislature recognizes that all young people need five key developmental resources in order to become productive citizens: caring adults, safe places, a healthy start, an effective education, and opportunities to help others. The Legislature further recognizes that young people who receive more of these developmental resources fare better than young people who receive fewer, and that those young people are more likely to avoid violence, contribute to their communities, and achieve high grades in school. The Legislature further recognizes the significant number of California's youth who live disadvantaged lives. Of those youths, an estimated 200,000 minors and thousands more youths ages 18 years to 24 years, inclusive, experience homelessness each year. Another 80,000 youths are in the foster care system, over 2,500 youths in California currently occupy juvenile justice facilities, and more than 3,000 youths are on parole from those facilities. Youth who are homeless, in the juvenile justice system, or in foster care have limited opportunities to participate in the policies policy process that ultimately impacts their well-being.
- (d) The Legislature recognizes that there are limited civic engagement opportunities for these disconnected and disadvantaged youths, especially opportunities developed and designed for and with them in mind.

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(e) The Legislature is alarmed that hundreds of thousands of California youth are among the two-thirds of America's children and youth recently identified by the America's Promise Alliance as not receiving sufficient developmental resources to safely put them on the path to adulthood. The Legislature also is concerned that the high school completion rate is less than 60 percent for low-income students and students of color in California, that gang and youth violence continue to be a concern and although birth rates to teen mothers have decreased, "teen pregnancy and parenting" continues to be a significant social problem in California. The Legislature is encouraged, however, by research indicating that providing more of the five developmental resources for more young people can help prevent many of these problems, and that millions of dollars in later prison, health, and welfare costs can be avoided by providing more developmental resources for more young people now.

- (f) The Legislature also agrees with the America's Promise Alliance's call for greater collaboration and integration in working to turn failure into action and improve the lives of young people at risk and with the actions of the more than 20 states that have committed their state resources for the creation of statewide entities charged with improving the developmental well-being of their children and youth.
- (g) The California Youth Legislature shall be established through this chapter and shall operate according to the procedures set forth in this chapter to provide model legislation and advocate for the needs of youth.
- 2201. (a) The California Youth Legislature shall be *initially* composed of 40 members and shall be expanded to 120 members as funding becomes available, at which time it shall be divided into two houses, the California Youth Senate, composed of 40 members, and the California Youth Assembly, composed of 80 members.
- (b) Members of the California Youth Legislature shall serve two-year terms.
- (c) Members of the California Youth Legislature shall be ages 14 to 18, inclusive, and currently enrolled in a California junior high, middle, or high school, or participating in a nonpublic, home-based educational program or a general equivalency degree program.

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2202. (a) The members of the California Youth Legislature shall be appointed by the California Youth Legislature Advisory Committee. Each Member of the Senate and each Member of the Assembly may nominate one youth from his or her respective district to apply for the program.

- (b) Members of the Senate and Members of the Assembly, in making their nominations, and members of the California Youth Legislature Advisory Committee, in making their appointments, shall take into consideration that the members of the California Youth Legislature represent the racial, ethnic, socioeconomic, cultural, physical, and educational diversity of California. Particular emphasis should be placed on reaching out to at-risk or disadvantaged youth to serve as members of the California Youth Legislature, as their participation will provide keen insight to into many of the issues that youth face in their day-to-day lives.
  - 2203. (a) The California Youth Legislature's main policy goal will be to provide meaningful opportunities for actual civic engagement to improve the quality of life for California's disconnected and disadvantaged youth. Furthermore, youths involved with the California Youth Legislature will make meaningful recommendations regarding legislation and policies that impact their own lives and the lives of the thousands of other youths in California whose voices often go unheard.
- (b) The California Youth Legislature shall do all of the following:
- (1) Examine and discuss policy and fiscal issues affecting the interests, needs, and conditions of the youth of California.
- (2) Formally advise and make recommendations to the Legislature and the Governor on specific issues affecting youth, including, but not limited to, all of the following:
- 31 (A) Education.
- 32 (B) Employment.
- 33 (C) Access to state and local government services.
- 34 (D) The environment.
- 35 (E) Behavioral and physical health.
- 36 (F) Safety.
- 37 (G) Technology.
- 38 (H) Criminal justice.
- 39 (I) Homelessness.
- 40 (J) Foster care.

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- 1 (K) Child welfare.
- 2 (L) Emancipation.
- 3 (M) Financial literacy.
- 4 (N) Substance abuse.
- 5 (O) Driver's license requirements.
  - (P) Poverty.

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- 7 (Q) Increased youth participation in state and local government.
  - (R) Any other policy or fiscal issues deemed appropriate by the *California* Youth Legislature.
  - (3) Consult with any existing local level youth advisory commissions and community-based, grassroots youth-led organizations for input and potential solutions on issues related to youth.
  - (4) To complete its duties, the California Youth Legislature shall convene and conduct meetings according to its bylaws, created by the California Youth Legislature Advisory Committee to fulfill the intentions of this chapter.
  - (c) The *California* Youth Legislature shall act as an information center on California youth policy and fiscal issues, including, but not limited to, the issues listed in subdivision (b). When available, funds shall be allocated to enable individual youths to travel to the State Capitol to learn the legislative process and, on occasion, to testify at hearings on legislation.
  - 2204. (a) The California Youth Legislature Advisory Committee shall be established and shall serve as the advisory board to the California Youth Legislature regarding the development, implementation, and administration of the program as provided in this chapter.
  - (b) (1) The California Youth Legislature Advisory Committee shall be chaired by the chair of the Joint Committee on Rules, or his or her designee. The Joint Committee on Rules shall appoint members of the California Youth Legislature Advisory Committee.
  - (2) The California Youth Legislature Advisory Committee shall be composed of, but not limited to, appointed representatives from statewide nonprofit youth organizations, community-based nonprofit organizations that serve youth or youth-related issues, and an appointed representative of a local-education advantional
- and an appointed representative of a local-education educational
- 38 agency or school district or its appointed designee. The California
- 39 Health and Human Services Agency may also, but is not required

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to, appoint a member of the California Youth Legislature AdvisoryCommittee.

- 3 (3) To—assure ensure that members of the California Youth
  4 Legislature have the support they may need given their unique
  5 situation, members of the California Youth Legislature Advisory
  6 Committee must have experience and training working with youths
  7 ages 14 to 18 years, inclusive, on the issues described in
- 8 subdivision (b) of Section 2203 and have special experience in 9 civic engagement and advocacy and at least one of the following
- 10 issue areas affecting youth:
  - (A) Crisis prevention or intervention.
- 12 (B) Drug, alcohol, and tobacco abuse prevention or intervention.
- 13 (C) Foster care.

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- (D) Juvenile justice.
- 15 (E) Homelessness.
- 16 (F) Lesbian, gay, bisexual, and transgender rights and social justice.
  - (G) Mental health.
  - (c) (1) The California Youth Legislature Advisory Committee shall determine the time, location, and number of annual meetings, but shall meet no less than four times per once each year.
  - (2) The California Youth Legislature shall enter into a mutually agreed-upon interagency agreement with the Joint Committee on Rules to carry out administrative duties related to its program.
  - (3) The California Youth Legislature Advisory Committee shall submit an annual budget and report to the Joint Committee on Rules.
  - (d) (1) The California Youth Legislature Advisory Committee shall determine when there are sufficient funds to support the program. If the committee determines there are insufficient funds to cover all costs, the activities of the California Youth Legislature shall cease.
  - (2) State funds shall not be used to support the California Youth Legislature except as provided in Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code.
- (e) (1) The California Youth Legislature Advisory Committee
   shall develop and provide applications for the California Youth
   Legislature and collect applications from youths who have been
   nominated by legislators and other youths

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(2) The California Youth Legislature Advisory Committee shall provide legislators with information on the program to promote in their districts as well as provide outreach to various youth organizations determine ways to promote the program and make available applications available.

- (3) The California Youth Legislature Advisory Committee shall establish criteria for the selection of youths, collect applications, and make appointments based on the applications submitted and the purposes of this chapter.
- (4) The California Youth Legislature Advisory Committee shall not discriminate based on race, religious creed, color, national origin, age, gender, marital status, sex, or sexual orientation.
- (f) The *members of the* California Youth Legislature Advisory Committee may develop criteria for granting of funds to a nonprofit agency with experience serving disconnected or at-risk youths to administer the California Youth Legislature or various duties required by this chapter shall serve voluntarily and shall not receive a salary.
- 2205. (a) The funds for the California Youth Legislature shall be allocated from the California Fund for Youth Youth Leadership Fund pursuant to Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, or from private funds directed to the Joint Committee on Rules and allocated to the California Youth Legislature Advisory Committee for the purpose of funding activities of the California Youth Legislature.
- (b) The California Youth Legislature may accept gifts and grants from any source, public or private, to help perform its functions, pursuant to this chapter.
- (c) The No more than 10 percent of the funds allocated to the California Youth Legislature Advisory Committee for the purpose of funding activities of the California Youth Legislature may be used for administrative costs.
- (d) Except as otherwise provided in subdivision (c), the California Youth Legislature Advisory Committee shall have the authority to define its program and utilize its funds in any way necessary to carry out the duties of this chapter, including partnering with nonprofit groups or state agencies to perform various duties required by this chapter, as long as the program or activity is not in violation of a state law or regulation.

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(d) (1) The California Youth Legislature Advisory Committee
 may grant funds to a nonprofit agency to administer the California
 Youth Legislature.

- (2) No more than 5 percent of the grant award may be used for administrative costs of the selected agency.
- 6 SEC. 2. This bill shall become operative only if this bill and 7 Assembly Bill 2017 of the 2009–10 Regular Session are both 8 enacted and become effective on or before January 1, 2011.